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FEDERAL ELECTION
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
National Association of Realtors – 527 Fund)

2007 MAY 21 P 12:18
MURs 5577 and 5620

SENSITIVE

GENERAL COUNSEL'S REPORT #3

I. ACTIONS RECOMMENDED

Accept the attached conciliation agreement with the National Association of Realtors –
527 Fund ("NAR 527"), dismiss as a matter of prosecutorial discretion allegations that the
National Association of Realtors violated 2 U.S.C. § 441b(a), and close the file.

II. BACKGROUND

On December 13, 2005, the Commission found reason to believe that NAR 527 violated
2 U.S.C. §§ 433 and 434 of the Federal Election Campaign Act of 1971, as amended ("the Act")
by failing to register and report as a political committee in connection with its 2004 activities and
authorized an investigation.¹

We now recommend that the Commission approve the
attached conciliation agreement.

III. CONCILIATION AGREEMENT

General Counsel's Report # 3
National Association of Realtors – 527 Fund

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Based on the foregoing, we recommend that the Commission accept the attached
conciliation agreement with NAR 527.

IV. NATIONAL ASSOCIATION OF REALTORS


we


recommend that the Commission exercise its prosecutorial discretion and dismiss allegations that NAR violated 2 U.S.C. § 441b(a). *See Heckler v. Chaney*, 470 U.S. 821 (1985).


V. RECOMMENDATIONS


1. Accept the attached conciliation agreement with the National Association of Realtors – 527 Fund.
2. In MUR 5577, dismiss as a matter of prosecutorial discretion allegations that the National Association of Realtors violated 2 U.S.C. § 441b(a).
3. Approve the attached Factual and Legal Analysis.
4. Approve the appropriate letters.
5. Close the file.

May 21, 2007
Date


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Attachments: Conciliation Agreement – NAR 527
Factual and Legal Analysis – NAR

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: National Association of Realtors

MURs: 5577 and 5620

This matter was generated by two complaints filed with the Federal Election Commission by Thomas J. Strini. *See* 2 U.S.C. § 437g(a)(1). The complainant alleges that the National Association of Realtors (“NAR”) made prohibited and excessive contributions to the Richard Burr Committee by paying for and disseminating direct mail pamphlets advocating Burr’s election to the Senate. The pamphlets, however, were paid for by the NAR Political Action Committee or by NAR 527 Fund. Although NAR 527 received all of its funding from NAR, the Commission exercises its prosecutorial discretion and dismisses allegations that NAR violated 2 U.S.C. § 441b(a). *See Heckler v. Chaney*, 470 U.S. 821 (1985).

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